



Federal Communications Commission
Washington, D.C. 20554

DA 14-1399

September 26, 2014

Joan Marsh
Vice President – Federal Regulatory
AT&T Services, Inc.
1120 20th St., N.W., Suite 1000
Washington, DC 20036

RE: Applications of AT&T Inc. and Centennial Communications Corp. for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Leasing Arrangements
WT Docket No. 08-246

Dear Ms. Marsh:

You have informed us by letter dated July 9, 2014 (“Letter”), that AT&T Inc. (“AT&T”) recently has taken certain actions relating to its relationship with América Móvil S.A.B. de C.V. (“América Móvil”), which you indicate has a bearing on the commitments that AT&T made in the above-captioned proceeding. As reflected in the Commission’s *Order*,¹ AT&T made commitments to refrain from engaging in specified activities with América Móvil, and we granted consent to the transfer of control of various licenses from Centennial Communications Corp. (“Centennial”) to AT&T subject to certain conditions.² The *Order* provided that AT&T could seek relief from any of these conditions if circumstances in the relationship between AT&T and América Móvil changed.³ Your Letter formally notified the Wireless Telecommunications Bureau of such changed circumstances and requested that the Bureau conclude that AT&T’s commitments relating to América Móvil be deemed null and void.⁴ For the reasons explained below, we grant this request.

Pursuant to sections 214(a) and 310(d) of the Communications Act of 1934, as amended, we are required to consider whether a proposed transfer of control of licenses and authorizations would serve the public interest, convenience, and necessity.⁵ In our review of the proposed AT&T-Centennial transaction, we had significant concerns about potential competitive harms arising in Puerto Rico because AT&T, Centennial, and América Móvil combined to hold 36 percent of total spectrum available for mobile telephone/broadband services⁶ and because there was a potential for harmful coordinated interaction between AT&T and América Móvil due to the “extensive corporate interrelationship between the companies.”⁷ We ultimately found, however, that certain commitments made by AT&T ameliorated

¹ Applications of AT&T Inc. and Centennial Communications Corp. for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Leasing Arrangements, *Memorandum Opinion and Order*, 24 FCC Rcd 13915 (2009) (“*Order*”).

² *Order*, 24 FCC Rcd at 13952, 13978-80 ¶¶ 85, 158-164.

³ *Id.*, 24 FCC Rcd at 13980-81 ¶ 165.

⁴ Letter at 2.

⁵ 47 U.S.C. §§ 214(a), 310(d).

⁶ *Order*, 24 FCC Rcd at 13946 ¶ 71.

⁷ *Id.*, 24 FCC Rcd at 13952 ¶ 85.

these concerns,⁸ and we conditionally approved the transaction.⁹ AT&T's commitments are reflected in its Letter of Commitment found in Appendix C to the *Order*,¹⁰ and all but the first of these commitments relate to América Móvil. The *Order* treats these commitments as conditions of consent to the AT&T-Centennial transaction.¹¹

The *Order* provides "in the event that AT&T ceases to have any representatives appointed to the América Móvil Board of Directors or AT&T ceases to hold an equity interest in América Móvil, AT&T must seek relief from any or all of these conditions...."¹² Your Letter provides notice to us that, on May 19, 2014, "AT&T's Board nominees tendered their resignations from the Board of America Movil."¹³ The Letter also states that, on June 30, 2014, "AT&T sold its entire equity stake in America Movil.... As a result, AT&T no longer has any equity or governance rights in America Movil."¹⁴ The Letter additionally provides notice of the termination of certain agreements, including a Management Services Agreement that was the subject of one of AT&T's commitments.¹⁵

AT&T requests in the Letter that, given these changes in circumstances, the América Móvil commitments now be deemed null and void.¹⁶ Because the pertinent bases for these conditions as they relate to América Móvil no longer are present given the elimination of AT&T representation on the América Móvil Board of Directors and the elimination of AT&T's equity interest in América Móvil, we conclude that AT&T is no longer required to comply with the conditions described in paragraphs 159-164 of the *Order*¹⁷ and set forth in items 2-7 of AT&T's Letter of Commitment. The action taken in this letter has no effect on the remaining conditions specified in paragraph 158 of the *Order*.¹⁸

This action is taken under delegated authority pursuant to section 0.331 of the Commission's rules, 47 C.F.R. § 0.331.

Sincerely,

Roger C. Sherman
Chief, Wireless Telecommunications Bureau

⁸ *Id.*

⁹ *Id.*, 24 FCC Rcd at 13978-80 ¶¶ 158-164.

¹⁰ *Id.*, 24 FCC Rcd at 13984-90 ("Letter of Commitment").

¹¹ *Id.*, 24 FCC Rcd at 13978-80 ¶¶ 158-164.

¹² *Id.*, 24 FCC Rcd at 13980 ¶ 165.

¹³ Letter at 2.

¹⁴ *Id.* In support, AT&T attached to the Letter (and thus entered into the record) its SEC Form 8-K (filed June 27, 2014) and América Móvil's SEC Schedule 13D (filed June 27, 2014), which indicate that AT&T completed the sale of its equity in América Móvil on June 30, 2014.

¹⁵ Letter at 2.

¹⁶ *Id.*

¹⁷ *Order*, 24 FCC Rcd at 13978-80 ¶¶ 159-164.

¹⁸ *Id.*, 24 FCC Rcd at 13978 ¶ 158.